



Billing Code: 6560-50

## **ENVIRONMENTAL PROTECTION AGENCY**

### **40 CFR Part 52**

#### **EPA-R08-OAR-2013-0395; FRL-9823-5**

### **Approval and Promulgation of Air Quality Implementation Plans; Utah; Revisions to Utah Administrative Code - Permit: New and Modified Sources**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Proposed rule.

**SUMMARY:** EPA is proposing to partially approve and partially disapprove State Implementation Plan (SIP) revisions submitted by the State of Utah on September 15, 2006. The September 15, 2006 revisions contain new, amended and renumbered rules in Utah Administrative Code (UAC) Title R-307 that pertain to the issuance of Utah air quality permits. The September 15, 2006 revisions supersedes, in its entirety, and replaces an October 9, 1998 submittal that initially revised provisions in Utah's air quality permit program. In this action, we are proposing to approve all but four of the SIP revisions in the September 15, 2006 submittal. We are proposing to disapprove the State's rules, R307-401-7 (Public Notice), R307-401-9(b) and portions of (c) (Small Source Exemption), R307-401-12 (Reduction in Air Contaminants), and R307-410-5 (Documentation of Ambient Air Impacts for Hazardous Air Pollutants). We are also proposing to partially approve and partially disapprove R307-410-6 (Stack Heights and Dispersion Techniques). This action is being taken under section 110 of the CAA.

**DATES:** Comments must be received on or before [insert date 30 days after publication in the

Federal Register].

**ADDRESSES:** Submit your comments, identified by Docket ID No. EPA-R08-OAR-2013-0395, by one of the following methods:

- [www.regulations.gov](http://www.regulations.gov). Follow the on-line instructions for submitting comments.
- E-mail: [leone.kevin@epa.gov](mailto:leone.kevin@epa.gov)
- Fax: (303) 312-6064 (please alert the individual listed in the **FOR FURTHER INFORMATION CONTACT** if you are faxing comments).
- Mail: Carl Daly, Director, Air Program, Environmental Protection Agency (EPA), Region 8, Mailcode 8P-AR, 1595 Wynkoop Street, Denver, Colorado 80202-1129.
- Hand Delivery: Carl Daly, Director, Air Program, Environmental Protection Agency (EPA), Region 8, Mailcode 8P-AR, 1595 Wynkoop Street, Denver, Colorado 80202-1129. Such deliveries are only accepted Monday through Friday, 8:00 a.m. to 4:30 p.m., excluding federal holidays. Special arrangements should be made for deliveries of boxed information.

*Instructions:* Direct your comments to Docket ID No. EPA-R08-OAR-2013-0395.

EPA's policy is that all comments received will be included in the public docket without change and may be made available online at [www.regulations.gov](http://www.regulations.gov), including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through [www.regulations.gov](http://www.regulations.gov) or e-mail. The [www.regulations.gov](http://www.regulations.gov) web site is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA, without going through

[www.regulations.gov](http://www.regulations.gov), your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses. For additional information about EPA's public docket visit the EPA Docket Center homepage at <http://www.epa.gov/epahome/dockets.htm>. For additional instructions on submitting comments, go to section I. General Information of the **SUPPLEMENTARY INFORMATION** section of this document.

*Docket:* All documents in the docket are listed in the [www.regulations.gov](http://www.regulations.gov) index. Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly-available docket materials are available either electronically in [www.regulations.gov](http://www.regulations.gov) or in hard copy at the Air Program, Environmental Protection Agency (EPA), Region 8, 1595 Wynkoop Street, Denver, Colorado 80202-1129. EPA requests that if at all possible, you contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section to view the hard copy of the docket. You may view the hard copy of the docket Monday through Friday, 8:00 a.m. to 4:00 p.m., excluding federal holidays.

**FOR FURTHER INFORMATION CONTACT:** Kevin Leone, Air Program, Mailcode 8P-

AR, Environmental Protection Agency, Region 8, 1595 Wynkoop Street, Denver, Colorado 80202-1129, (303) 312-6227, or [leone.kevin@epa.gov](mailto:leone.kevin@epa.gov).

## **SUPPLEMENTARY INFORMATION:**

### Table of Contents

#### I. General Information

#### II. Background

#### III. What Action is EPA Taking?

#### IV. What Authorities Apply to EPA's Proposed Action?

#### V. EPA's Analysis of Proposed Approval Actions on SIP Revisions

#### VI. EPA's Analysis of Proposed Disapproval Actions on SIP Revisions

#### VII. Statutory and Executive Order Reviews

### **Definitions**

For the purpose of this document, we are giving meaning to certain words or initials as follows:

- (i) The words or initials Act or CAA mean or refer to the Clean Air Act, unless the context indicates otherwise.
- (ii) The words EPA, we, us or our mean or refer to the United States Environmental Protection Agency.
- (iii) The initials SIP mean or refer to State Implementation Plan.
- (iv) The words State or Utah mean the State of Utah, unless the context indicates otherwise.
- (v) The initials NSR mean or refer to New Source Review.
- (vi) The initials SIP mean or refer to State Implementation Plan.
- (vii) The initials UAC mean or refer to the Utah Administrative Code.

## **I. General Information**

### **A. What Should I Consider as I Prepare My Comments for EPA?**

1. *Submitting CBI.* Do not submit this information to EPA through [www.regulations.gov](http://www.regulations.gov) or e-mail. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD ROM that you mail to EPA, mark the outside of the disk or CD ROM as CBI and then identify electronically within the disk or CD ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. *Tips for Preparing Your Comments.* When submitting comments, remember to:

- a. Identify the rulemaking by docket number and other identifying information (subject heading, Federal Register date and page number).
- b. Follow directions - The agency may ask you to respond to specific questions or organize comments by referencing a Code of Federal Regulations (CFR) part or section number.
- c. Explain why you agree or disagree; suggest alternatives and substitute language for your requested changes.
- d. Describe any assumptions and provide any technical information and/or data that you used.
- e. If you estimate potential costs or burdens, explain how you arrived at your estimate in sufficient detail to allow for it to be reproduced.
- f. Provide specific examples to illustrate your concerns, and suggest alternatives.

- g. Explain your views as clearly as possible, avoiding the use of profanity or personal threats.
- h. Make sure to submit your comments by the comment period deadline identified.

## **II. Background**

Several revisions to Utah's minor source permitting program were originally submitted to EPA on October 9, 1998. The SIP revisions covered the following three areas of the State's rules: (1) R307-1-1 (Forward and Definitions); (2) R307-1-3 (Control of Installations); and R307-15-6(5) (Permit Content).<sup>1</sup> On September 20, 1999, Utah submitted a revision that renumbered the regulatory provisions in the October 9, 1998 submittal. On September 15, 2006, Utah submitted additional revisions to the minor source permitting program and some of the rules were renumbered a second time.

A cross-walk table comparing the provisions from the October 9, 1998, September 20, 1999, and September 15, 2006 submittals is included in the docket for this action. The September 15, 2006 submittal supersedes and replaces the October 9, 1998 submittal in its entirety and partially supersedes and replaces the September 20, 1999 submittal, as outlined in the cross-walk table. As explained below, we approved a subsequent revision of the regulations contained in Definitions Section, and therefore we are not taking action on R307-1-1 in this action. See 73 FR 51222 (September 2, 2008).

Utah's September 15, 2006, submittal covers four groups of rules: (1) revised R307-101-2 (Definitions), which we previously acted on in 73 FR 51222; (2) added a new section R307-

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<sup>1</sup> While the SIP submittal contains numerous rules, the three-page Enclosure to the Governor's cover letter identifies these three specific rule amendments that were submitted to EPA for review and approval.

401 (Notice of Intent and Approval Order)<sup>2</sup>; (3) added a new section R307-410 (Permits: Emission Impact Analysis)<sup>3</sup>; and (4) renumbered rules in State rule section R307-413 (Permit: Exemptions and Special Provisions) to R307-401. The permit exemptions in Utah's October 9, 1998, submittal (R307-1-3.1.7) were renumbered by the State to R307-413 in Utah's September 20, 1999, submittal. In the September 15, 2006 submittal, some of the rules which were renumbered to R307-413 were then renumbered a second time by the State to R307-401. The purpose of the State's SIP actions in the September 15, 2006 submittal was to separate minor source permitting and modeling requirements in Title R307 from major source permitting and modeling requirements in Title R307. The September 15, 2006, submittal supersedes and replaces Utah's October 9, 1998, submittal; thus, by acting on the September 15, 2006, submittal we are also concurrently acting on the October 9, 1998 submittal.

### **III. What Action is EPA Taking?**

The rules outlined below represent the rules submitted by Utah on September 15, 2006. These rules supersede and replace corresponding citations from Utah's September 20, 1999 and October 9, 1998 submittals (See Table 1 – Rulemaking Crosswalk in docket).

#### *R307-101-2 (Definitions)*

In Utah's October 9, 1998 submittal, the State requested the addition of the definitions "Air Quality Related Values" and "Carcinogen" in R307-1-1 (Forward and Definitions) to the SIP. In Utah's September 20, 1999 submittal, R307-1-1 was renumbered to R307-101-2. The

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<sup>2</sup> The regulations impacted in the submittal from the Notice of Intent and Approval Order section include the following: R307-401-1, R307-401-2, R307-401-3, R307-401-4, R307-401-5, R307-401-6, R307-401-7, , R307-401-8, R307-401-9, R307-401-10, R307-401-11, R307-401-12, R307-401-13, R307-401-14, R307-401-15, R307-401-16, R307-401-17, R307-401-18, R307-401-19, and R307-401-20.

<sup>3</sup> The regulations impacted in the submittal from the Permits: Emission Impact Analysis section include the following: R307-410-1, R307-410-2, R307-410-3, R307-410-4, R307-410-5, and R307-410-6.

September 15, 2006, submittal requested the deletion of two definitions in R307-101-2 (“Air Quality Related Values” and “Significant”. In 73 FR 51222 (September 2, 2008), EPA incorporated by reference UAC R307-101-2 as adopted by the Utah Air Quality Board on February 6, 2008, effective on February 8, 2008. Therefore, our 73 FR 51222 action superseded and replaced R307-1-1, as submitted on October 9, 1998, and R307-101-2, as submitted on September 15, 2006. We approved the 2008 version of the rule into Utah's SIP on September 2, 2008 and incorporated it by reference into the Code of Federal Regulations. See 73 FR 51222.” Thus, in this proposal, we do not need to act on the September 15, 2006 version of R307-101-2. (see Table 1 – Rulemaking cross-walk in docket).

*R307-401 (Permit: Notice of Intent and Approval Order)*

We are proposing to approve new rule R307-401-1 (Purpose). This rule explains that the R307-401 rules establish the application and permit requirements for new and modified sources. R307-401-1 states there are additional permitting requirements for larger sources or sources located in nonattainment or maintenance areas. The rule also states the exemptions listed in R307-401 do not affect the applicability of other permitting rules in the SIP.

We are proposing to approve R307-401-2 (Definitions). We are proposing to approve these definitions because they are consistent with applicable federal rules, as described in Table 2 – Definitions Cross-walk. Additionally, the definitions have either been renumbered from prior State rules or contain approvable changes to the definition. (see Table 2 – Definitions Crosswalk in docket).

We are proposing to approve R307-401-3 (Applicability). This rule outlines: 1) what type of activities are applicable to the requirements in R307-401; 2) other sections in R307



which may establish additional permitting requirements; 3) how exemptions in R307-401 affect applicability of other requirements in R307; and 4) how exemptions in other sections in R307 affect applicability of requirements in R307-401. R307-401-3 (2)(a) and (b) contains specific safeguards that clarify that sources may also have additional permitting requirements in other permitting rules in the SIP. This rule is particularly significant because it clarifies that sources which are exempt in sections R307-401-9 through R307-401-17 cannot circumvent major NSR requirements.

We are proposing to approve R307-401-4 (General Requirements). R307-401-4 applies to all new and modified sources, including sources that are exempt from the requirements to obtain an approval order. This rule requires: 1) control apparatus installed at the source shall be adequately and properly maintained; 2) under certain circumstances, the executive secretary may require an exempted source to submit a notice of intent and obtain an approval order in accordance with R307-401-5 through R307-401-8; and 3) with certain exceptions, fuel combustion devices shall be replaced with low oxide of nitrogen burners.

We are proposing to approve R307-401-4(1) and (3) because they comply with 40 CFR 51.160(a) and (b). Additionally, R307-401-4(2) complies with 40 CFR 51.160(b) because it provides a means by which the State or local agency can prevent an otherwise exempted source from violating applicable portions of the control strategy or interfering with attainment or maintenance of the National Ambient Air Quality Standards (NAAQS).

We are proposing to approve R307-401-5 (Notice of Intent). The requirements in

R307-401-5 contain a list of information that shall be included with a notice of intent submitted by any person to the State. The rule clarifies that the notice of intent requirements do not apply to R307-401-9 through R307-401-17. The notice of Intent requirements outlined in R307-401-5(1) and (2)(a) – (k) meet the requirements of 40 CFR 51.160(a), (c) and (e) because 1) the procedures allow the State or a local agency to determine whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS; 2) the procedures provide for the submission to include: information on the nature and amounts of emissions to be emitted; the location, design, construction and operation of the facility, building, structure, or installation necessary for the State or a local agency to make a determination whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS; and 3) the procedures provide that the owner must identify the types and sizes of facilities, buildings, structures, or installations which will be subject to review.

We are proposing to approve R307-401-6 (Review Period). R307-401-6 contains the deadlines and procedures applicable to the State in processing a notice of intent. R307-401-6(2)(b) meets the requirement of 40 CFR 51.160(a) because the rule provides the State or a local agency the opportunity to determine whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS. R307-401-6(2)(b) also meets the requirement of 40 CFR 51.160(b), because the

rule provides a means for the State or a local agency can prevent an exempted source from violating applicable portions of the control strategy or interfering with attainment or maintenance of the NAAQS.

We are proposing to disapprove R307-401-7 (Public Notice). R307-401-7 revised Utah's public notice procedures to allow for a 10-day public comment period for an approval or disapproval order issued under R307-401-8. The rule allows for the public comment period to be increased to 30 days under certain conditions. We note that the public comment period for an approval or disapproval order currently in Utah's federally approved SIP is 30 days. (See R307-1-3.1.3) Federal regulations for Public Availability of Information found at 40 CFR 51.161(b)(2) require at a minimum a 30-day public comment period for the permitting of a source, including minor source permits. In addition, the 30-day comment period is important to allow adequate opportunity for comment by other affected states, federal agencies, and the public.

We are proposing to approve R307-401-8 (Approval Order). This rule describes the conditions that must be met before the State will issue an approval order. R307-401-8 is consistent with the Federal requirements located in 40 CFR 51.160(a) because the rule provides the State or a local agency the opportunity to determine whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS. The rule is also consistent with 40 CFR 51.160(b) because the rule provides a means for the State or a local agency can prevent an otherwise exempted source from violating applicable portions of the control strategy or interfering with attainment or maintenance

of the NAAQS. In addition, R307-401-8 lists additional safeguards to clarify that sources may also have additional permitting requirements in other State regulations. R307-401-8(b)(i) and (ii) is particularly significant because they prohibit sources from circumventing major NSR requirements.

We are proposing to partially approve and partially disapprove R307-401-9 (Small Source Exemptions). R307-401-9 creates a de minimis exemption threshold from the requirement to submit a notice of intent and apply for an approval order prior to initiation of construction, modification, or relocation. There currently is no de minimis exemption threshold from notice of intent and approval order requirements approved into the Utah SIP. Section 110(l) of the CAA states that EPA cannot approve a SIP revision that would interfere with any applicable requirement concerning attainment or reasonable further progress (RFP), as defined in section 171 of the CAA, or any other applicable requirement of the CAA. The State submitted a CAA 110(l) demonstration of noninterference (see docket).

R307-401-9 provides that a stationary source is exempt from the requirement to obtain an approval order in R307-401-5 through 8 if the following conditions are met: 1) actual emissions are less than five tons per year of any criteria pollutant; 2) actual emissions are less than 500 pounds per year of any hazardous air pollutant (HAP) or less than 2000 pounds per year of any combination of HAPs; and 3) actual emissions are less than 500 pounds per year of air contaminant not included above and are less than 2000 pounds per year of any combination of air contaminant not included in above.

We are proposing to approve all of R307-401-9, except for paragraph (b) and the portions of paragraph (c) that reference paragraph (b). We are proposing to disapprove R307-401-9(b)

and the phrase “or (b)” in paragraph (c) because EPA lacks authority in an action on a SIP revision under CAA section 110 to approve provisions addressing hazardous air pollutants. Thus we are proposing to disapprove these specific provisions. We are proposing to approve all of R307-401-9, except for paragraph (b) and the portions of paragraph (c) that reference paragraph (b) because:

R307-401-9 contains a safeguard that a source shall no longer be exempt and is required to submit a notice of intent if its actual emissions exceed the thresholds listed in R307-401-9(1)(a). In addition, sources receiving an exemption under R307-401-9 are still subject to the requirements located in: 1) R307-401(2)(a), which prevents exempt sources from circumventing major NSR requirements; 2) R307-401-4, which contains the general permitting requirements; 3) State permitting area source regulations under R307-201 through 207; and 4) R307 section 300 that contains the State permitting nonattainment and maintenance area regulations (see docket, 110(l) demonstration of noninterference). The exemption thresholds and the additional safeguards just described ensure NAAQS protection and thus meet the requirements of CAA 110(a)(2)(C) and 40 CFR 51.160.

EPA’s regulations at 40 CFR 51.160 do not require the issuance of a permit for the construction or modification of minor sources, but only that the SIP include a procedure to prevent the construction of a source or modification that would violate the SIP control strategy or interfere with attainment or maintenance of the NAAQS.

EPA recognizes that, under the applicable federal regulations, states have broad discretion to determine the scope of their minor NSR programs as needed to attain and maintain the NAAQS. A state may tailor its minor NSR requirements as long as they are consistent with

the requirements of CAA 110(a)(2)(C) and 40 CFR part 51.160 – 164. States may also provide a rationale for why the rules are at least as stringent as the 40 CFR part 51 requirements where the revisions are different from those in 40 CFR part 51.

The State has shown through their CAA 110(l) demonstration that while sources below the de minimis exemption permit thresholds in R307-401-9 are no longer required to undergo a case-by-case review and receive an approval order, they are still regulated by other rules within R307-401 and underlying statewide area source rules in Title R307.

In addition, the de minimis level permit threshold in R307-401-9, which has been implemented as a state-approved rule since 1996, is comparable to the de minimis level threshold in many of the federally enforceable minor NSR programs in surrounding states such as Idaho, Montana, and North Dakota, and for sources covered by EPA's tribal NSR rule for sources located in Indian Country.

EPA notes that we have approved several similar de minimis exemption provisions in other states as follows:

- a. On January 16, 2003, EPA approved a minor NSR program for the State of Idaho (68 FR 2217). This rule allows changes to be considered exempt from permitting if the source's uncontrolled potential emissions are less than ten percent (10%) of the NSR significant emissions rate. For example: 1.5 tons per year for PM<sub>10</sub>, 4 tons per year for volatile organic compounds (VOCs), nitrogen dioxide (NO<sub>2</sub>), and sulfur dioxide (SO<sub>2</sub>), and 10 tons per year for carbon monoxide (CO). EPA determined in this instance that states may exempt from minor NSR certain categories of changes based on de minimis or administrative necessity grounds in accordance with the criteria set

- out in Alabama Power Co. v. Costle, 636 F.2d 323 (D.C. Cir. 1979). De minimis sources are presumed to not have an impact and the state has determined that their emissions would not prevent or interfere with attainment of the NAAQS, even within nonattainment areas.
- b. On February 13, 2012, EPA approved a five tons per year potential emissions level as a de minimis threshold to be exempt from permitting requirements in the State of Montana (77 FR 7531). In this final rulemaking, EPA determined this de minimis threshold met the requirements of CAA section 110(a)(2)(C), 40 CFR part 51.160 and CAA section 110(l).
  - c. On July 1, 2011, EPA finalized the tribal NSR rule (76 FR 38748). In this rulemaking, EPA established de minimis thresholds at which sources are to be exempt from permitting requirements for each regulated NSR pollutant (see 40 CFR 49.153 – Table 1) utilizing an allowable-to-allowable applicability test. EPA stated in this rulemaking that these threshold levels represent a reasonable balance between environmental protection and economic growth (76 FR 38758). EPA further recognized in designing the tribal NSR rule, that the overarching requirement is ensuring NAAQS protection (76 FR 38756) as described in CAA section 110(a)(2)(C). In order to determine that the sources below minor NSR permit thresholds in 40 CFR 49.153 – Table 1 would be inconsequential to attainment or maintenance of the NAAQS, EPA performed a national source distribution analysis (see 71 FR 48702). In this analysis, EPA looked at size distribution of existing sources across the country. Using the National Emissions Inventory (NEI), which

- includes the most comprehensive inventory of existing U.S. stationary point sources that is available, EPA determined how many of these sources fall below the proposed minor NSR thresholds (see 71 FR 48702, Table 2). For each pollutant, EPA found that only around 1 percent (or less) of total emissions would be exempt from review under the minor NSR program. At the same time, the thresholds would promote an effective balance between environmental protection and source burden because anywhere from 42 percent to 76 percent of sources (depending on the pollutant) would be too small to be subject to preconstruction review (76 FR 38758). Utah, which contains areas of Indian country that are subject to the permitting thresholds in the tribal NSR rule, has established generally lower exemption levels than those in the tribal NSR rule. In addition, as EPA explained in the tribal NSR rule, this will “allow us to begin leveling the playing field with the surrounding state programs and will result in a more cost-effective program by reducing the burden on sources and reviewing authorities.” (see 76 FR 38758).
- d. On May 27, 2008, EPA approved a 25 tons per year actual emissions level as a de minimis threshold for fossil fuel burning equipment to be exempt from permitting requirements in the State of North Dakota, and a 5 ton per year actual emissions level as a de minimis threshold for any internal combustion engine, or multiple engines to be exempt from permitting requirements (73 FR 30308). EPA determined the revision will not adversely impact the NAAQS or PSD increments (73 FR 30308).



- e. On February 1, 2006, EPA approved a 5 tons per year actual emissions level as a de minimis threshold to be exempt from permitting requirements in the State of North Carolina (see 61 FR 3584).

We are proposing to approve R307-401-9 because: 1) R307-401-9 has safeguards which prevent circumvention of NSR requirements; 2) the State's 110(l) demonstration shows sources are still regulated by other rules within R307-401 and underlying statewide area source rules in Title R307; 3) R307-401-9 is similar to the de minimis level threshold in many of the federally enforceable minor NSR programs in surrounding states and around the country; and 4) Utah, which contains areas of Indian country that are subject to the permitting thresholds in the tribal NSR rule, has established generally lower exemption levels than those in the tribal NSR rule.

We are proposing to approve R307-401-10 (Source Category Exemptions). R307-401-10, as submitted on September 20, 1999, was originally titled "Low Oxides of Nitrogen Burner Technology". In Utah's September 15, 2006 submittal, this was deleted and moved to R307-325; R307-401-10 was then replaced with "Source Category Exemptions" (see Table 1 – Rulemaking Crosswalk).

Sources receiving an exemption under R307-401-10 are still subject to the requirements located in: 1) R307-401(2)(a), which prevents exempt sources from circumventing major NSR requirements; 2) R307-401-4, which contains the general permitting requirements; 3) R307-201 through 207, which contains the State permitting area source regulations; and 4) R307 section 300, which contains the State permitting nonattainment and maintenance area regulations (see docket, 110(l) demonstration of noninterference). The exemption thresholds and the additional regulatory safeguards just described ensure NAAQS protection and thus meet the requirements

of 110(a)(2)(C) and 40 CFR 51.160.

We are proposing to approve R307-401-11 (Replacement-in-Kind Equipment). This rule applies to existing process equipment or pollution control equipment covered by an existing approval order or SIP requirement. Before equipment may be replaced using the procedures in this rule and in lieu of filing a notice of intent, R307-401-11(2)(a) requires the owner or operator of a stationary source to submit written notification to the executive secretary. This notification contains a description of the replacement-in-kind equipment including the control capability of any control apparatus and demonstrations that the conditions in R307-401-11(1) are met. One of these conditions is R307-401-11(1)(h), which requires the source to demonstrate that the replacement of the control apparatus or process equipment does not violate any provisions of Title R307, including: R307-403 (New and Modified Sources in Nonattainment and Maintenance Areas) and R307-405 (PSD). This is further clarified in R307-401-3(2)(a), which states, “Exemptions contained in R307-401 do not affect applicability or other requirements under R307-403, R307-405 or R307-406.” In addition, R307-401-3 indicates that the rules contained in R307-401 are limited to the State’s minor source permitting program and are separate from major source regulations. These rules satisfy the requirements of 40 CFR 51.160(a) because R307-401-11(2)(a) provides the State or a local agency the opportunity to determine whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS and 40 CFR 51.160(b) because R307-401-11(1)(h) provides a means for the State or a local agency can prevent an exempted source from violating applicable portions of the control strategy or interfering with attainment or maintenance of the NAAQS. These provisions provide important safeguards that prevent any increase that could

occur as a result of replacement-in-kind from circumventing review under any other provision of the NSR program.

R307-401-11(2)(b) states that public review is not required for the update of an approval order. Since replacement-in-kind under R307-401-11 is exempt from filing a notice of intent under R307-401-5, public notice requirements under R307-401-7 do not apply.

We are proposing to disapprove R307-401-12 (Reduction in Air Contaminants). R307-401-12(1) provides that an owner or operator of a stationary source of air contaminants that reduces or eliminates air contaminants is *exempt from the approval order* requirements in R307-401-5 through R307-401-8 if the project does not increase the potential to emit of any air contaminant or cause emissions of any new air contaminant. However, the rule states in R307-401-12(1)(b) that the reduction in air contaminants is made enforceable *through an approval order* in accordance with R307-401-12(2). R307-401-12(2) states that the executive secretary will *update the sources approval order or issue a new approval order* to include the project and to make the emissions reductions enforceable.

R307-401-12 does not meet the requirements of CAA 110(a)(2)(C) and 40 CFR 51.160(a). 40 CFR 51.160(a) requires that a state or local agency must provide for enforceable procedures that enable it to determine whether a construction or modification project would result in a violation of the control strategy or interfere with attainment or maintenance of the NAAQS. As outlined above, the rules within R307-401-12 require clarification. It is not clear to the source or to the public what projects under R307-401-12 would trigger approval order requirements in R307-401-5 through R307-401-8.

We are proposing to approve R307-401-13 (Plantwide Applicability Limits). R307-401-

13 provides that a plantwide applicability limit under R307-405-21 does not exempt a stationary source from the requirements in R307-401. This rule is approvable because it specifies that major PSD sources are not exempt from the requirements of R307-401.

R307-401-14 (Used Oil Fuel Burned for Energy Recovery), R307-401-15 (Air Strippers and Soil Venting Projects) and R307-401-16 (De minimis Emissions From Soil Aeration Projects) were previously proposed for approval (see 77 FR 37859 (June 25, 2012)). Therefore, we do not need to act on these rules in this notice.

We are proposing to approve R307-401-17 (Temporary Relocation). R307-401-17 allows temporary relocation of a stationary source for up to 180 days without submitting the proposal for public comment prior to approval or disapproval. R307-401-17 requires: 1) the executive secretary to “evaluate the expected emissions impact at the site and (evaluate) compliance with applicable Title R307 rules as a basis for determining if approval for temporary relocation may be granted” and 2) the owner to keep records at the site and submit the records to the executive secretary at the end of 180 calendar days, and provide that the records are made available for review. We are proposing to approve this rule because it meets the requirement of 40 CFR 51.160(a) because the rule provides the State or a local agency the opportunity to determine whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS.

We are proposing to approve R307-401-18 (Eighteen Month Review). This rule provides that approval orders issued with the provisions of R307-401 will be reviewed eighteen months after the date of issuance to determine the status of the project. If the project is not proceeding, the approval order may be revoked. This rule is consistent with 40 CFR 51.160(a) because the

rule provides the State or a local agency the opportunity to determine whether the project will result in a violation of applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS.

We are proposing to approve R307-401-19 (Analysis of Alternatives). R307-401-19 requires an owner or operator of a major new source or major modification that is located in a nonattainment or maintenance area or which could impact a nonattainment or maintenance area must, in addition to the requirements in R307-401, submit with the notice of intent an adequate analysis as outlined in this rule. This rule meets the requirements of 40 CFR 51.160(a) and (b) because R307-401-19 provides that an analysis, as described in this provision, must be submitted along with the notice of intent; the source must comply with all requirements in R307-401; the executive secretary shall review the analysis; and the analysis and the executive secretary's comments shall be subject to public comment as required by R307-401-7. This provision provides important safeguards that prevent any increase that could affect maintenance of the NAAQS.

We are proposing to approve R307-401-20 (Relaxation of Limitations). R307-401-20 specifies that the relaxation of limitations provision only applies to a source or modification to be located in a nonattainment or maintenance area. This rule has been previously approved in 71 FR 7679 on February 14, 2006, into R307-401-9. In this rulemaking, we are proposing to approve the renumbering of the rule "Relaxation of Limitations" from R307-401-9 to R307-401-20.

EPA further notes that the comparable federal definition for relaxation of limitations which applies to PSD sources, located in 40 CFR 52.21(r)(4), was incorporated by reference into

the Utah SIP on July 15, 2011 (76 FR 41712). This rule is located in the Utah SIP at R307-405-19.

*R307-410 (Permits: Emission Impact Analysis)*

We are proposing to partially approve and partially disapprove R307-401-10 (Permits: Emission Impact Analysis).

We are proposing to approve all of R307-410, except for R307-410-5 (Documentation of Ambient Air Impacts for Hazardous Air Pollutants); we are proposing to disapprove R307-410-5 because EPA lacks authority in an action on a SIP revision under CAA section 110 to approve provisions addressing hazardous air pollutants. Thus we are proposing to disapprove these specific provisions. We are also proposing to partially approve and partially disapprove R307-410-6, as explained below.

These rules (R307-410) establish modeling requirements to determine the impact of emissions from new or modified sources that require an approval order under R307-401. The rules are intended to ensure that the construction or modification project will not interfere with attainment or maintenance of any NAAQS as required by 40 CFR 51.160. These rules also establish the procedures and requirements for evaluating the emissions impact of hazardous air pollutants and procedures for establishing an emissions rate based on good engineering practice stack height as required by 40 CFR 51.118.

The modeling requirements for PSD permitting are incorporated by reference into R307-405; however, they appear in R307-410-3 and R307-410-4 and are not deleted from R307-410 because the same requirements still apply to smaller sources that are not subject to PSD rule requirements of R307-405. The definitions in R307-410 are deleted from R307-410-2 and

incorporated by reference from 40 CFR 51.100 into R307-410-2(2). All of the definitions deleted in R307-410 are located in 40 CFR part 51.100(ff) through (kk) and (nn). The definitions of “Vertically Restricted Emissions Release” and “Vertically Unrestricted Emissions Release,” which we approved for deletion from section R307-101-2 in our prior action (73 FR 51222) have not changed; they are simply being renumbered to Rule R307-410-2 because the terms are not used in other rules. The incorporation by reference of the Federal Guidelines on Air Quality Models in R307-410-3 is updated to reflect the most current issue at the time the rules were adopted by the State. For ease of use, the modeling limit for carbon monoxide in R307-410-4, Table 1, is specified instead of referencing another rule.

The R307-410 provisions provide air impact analysis guidelines, which establish legally enforceable procedures enabling state and local agencies to determine whether construction or modification of a facility will violate applicable portions of the control strategy or interfere with attainment or maintenance of the NAAQS, which meets the requirement of 40 CFR 51.160(a).

The R307-410-6 provisions provide that the degree of emission limitation required of any source for control of any air contaminant to include determinations made under R307-401, R307-403 and R307-405, must not be affected by so much of any source’s stack height that exceeds good engineering practice or by any other dispersion technique. The rule also outlines who the provisions apply to. While the rule is generally consistent with the requirements in 40 CFR 51.164 (Stack Height Procedures), similar to the disapproval discussed elsewhere in this notice regarding the 10-day public comment period, R307-410-6 is missing the required public notice elements found in 40 CFR 51.164. Specifically, R307-410-6 is missing the requirement that “[s]uch procedures must provide that before a State issues a permit to a source based on a good

engineering practice stack height that exceeds the height allowed by § 51.100(ii) (1) or (2), the State must notify the public of the availability of the demonstration study and must provide opportunity for public hearing on it”. Therefore, we are proposing to partially approve and partially disapprove this particular rule since the State rule omits the requirements for the State to notify the public of the availability of documentation of a study where a source exceeds the height allowed and provide an opportunity for public hearing.

#### **IV. What Authorities Apply to EPA’s Proposed Action**

In determining whether SIP revisions submitted by the State of Utah on October 15, 2006, are approvable or not approvable, EPA applies the following authorities.

The CAA at section 110(a)(2)(C) requires states to include a minor NSR program in their SIP to regulate modifications and new construction of stationary sources within the area as necessary to assure the NAAQS are achieved. EPA's implementing regulations at 40 CFR 51.160-164 are intended to ensure that new source growth is consistent with maintenance of the NAAQS and 40 CFR 51.160(e) requires states to identify types and sizes of facilities which will be subject to review under their minor NSR program. For sources identified under 40 CFR 51.160(e), 40 CFR 51.160(a) requires that the SIP include legally enforceable procedures that enable a state or local agency to determine whether construction or modification of a facility, building, structure or installation, or combination of these will result in a violation of applicable portions of the control strategy or interference with attainment or maintenance of a national standard in the state in which the proposed source (or modification) is located or in a neighboring state. 40 CFR 51.160(b) requires these procedures must include a means by which the state or local agency can prevent a construction or modification if the construction or modification will



result in a violation of applicable portions of the control strategy or interference with attainment or maintenance of a national standard.

Section 110(i) of the CAA specifically precludes states from changing the requirements of the SIP except through SIP revisions approved by EPA. SIP revisions will be approved by EPA only if they meet all requirements of section 110 of the CAA and the implementing regulations at 40 CFR part 51. See CAA section 110(l); and 40 CFR 51.104.

EPA recognizes that, under the applicable federal regulations, states have broad discretion to determine the scope of their minor NSR programs as needed to attain and maintain the NAAQS. The states have significant discretion to tailor minor NSR requirements that are consistent with the requirements of 40 CFR part 51.160. States may also provide a rationale for why their rules are at least as stringent as the 40 CFR part 51 requirements where their rules are different from those in 40 CFR part 51. For example, states may exempt from minor NSR certain categories of changes based on de minimis or administrative necessity grounds in accordance with the criteria set out in Alabama Power Co. v. Costle, 636 F.2d 323, 360-361 (D.C. Cir. 1979). De minimis sources are presumed not to have an impact and their emissions would not prevent or interfere with attainment of the NAAQS, even within nonattainment areas.

Section 110(l) of the CAA states: “Each revision to an implementation plan submitted by a State under this Act shall be adopted by such State after reasonable notice and public hearing. The Administrator shall not approve a revision to a plan if the revision would interfere with any applicable requirement concerning attainment and reasonable further progress (as defined in section 171), or any other applicable requirement of this chapter.”

The states' obligation to comply with each of the NAAQS is considered as “any applicable requirement(s) concerning attainment.” A demonstration of noninterference is necessary to show that this revision will not interfere with attainment or maintenance of the NAAQS, including those for ozone, particulate matter, carbon monoxide (CO), sulfur dioxide (SO<sub>2</sub>), lead, nitrogen oxides (NO<sub>x</sub>) or any other requirement of the Act. EPA has determined that a 110(l) demonstration of noninterference is applicable to R307-401-9. Utah has submitted this demonstration (see docket).

Since there are no ambient air quality standards for hazardous air pollutants, the area's compliance with any applicable maximum achievable control technology (MACT) standards, as well as any federal mobile source control requirements under CAA sections 112 or 202(l) would constitute an acceptable demonstration of noninterference for hazardous air pollutants.

Section 110(l) does not require a demonstration of noninterference for changes to federal requirements that are not included in the SIP. A revision to the SIP, however, cannot interfere with any federally mandated program such as a MACT standard (or related section 112 requirements).

## **V. EPA's Analysis of Proposed Approval Actions on SIP Revisions**

In this proposed rulemaking, we are proposing to approve the new and revised rules and renumbering of rules as outlined in section III above and as described in Table 1 – Rulemaking Crosswalk and Table 2 – Definitions Crosswalk, located in the docket for R307-101-2, R307-401 and R307-410. We are proposing approval based on the authorities as outlined in section IV of this rulemaking. As explained in this rulemaking, the rules we are proposing to approve meet the statutory requirements of CAA section 110(a)(2)(C) and the regulatory requirements of 40 CFR

51.160.

We also evaluated the new rule R307-401-9 using CAA section 110(l). Section 110(l) provides that EPA cannot approve a SIP revision if the revision would interfere with any applicable requirement concerning attainment and RFP, or any other applicable requirement of the CAA. Therefore, EPA will approve a SIP revision only after a state has demonstrated that such a revision will not interfere (“noninterference”) with attainment of the NAAQS, RFP or any other applicable requirement of the CAA.

EPA retains the discretion to adopt approaches on a case-by-case basis to determine what the appropriate demonstration of noninterference with attainment of the NAAQS, rate of progress, RFP or any other applicable requirement of the CAA should entail. In this instance, EPA asked the State to submit an analysis showing that the approval of new section R307-401-9 would not violate section 110(l) of the CAA (see docket); this is also referred to as a “demonstration of noninterference” with attainment and maintenance under CAA section 110(l). Based on the state’s demonstration and analysis in this notice, we are proposing to approve portions of new rule R307-401-9, as outlined in Section III above.

## **VI. EPA’s Analysis of Proposed Disapproval Actions on SIP Revisions**

We are proposing to disapprove R307-401-7 (Public Notice). This rule, which generally allows for a 10-day comment period, is inconsistent with federal regulations for Public Availability of Information found at 40 CFR 51.161(b)(2), which require at a minimum a 30-day public comment period for the permitting of a source, including minor source permits. In addition, the 30-day comment period is important to allow adequate

opportunity for comment by other affected states, federal agencies, and the public.

We are proposing to disapprove R307-401-9 (Small Source Exemption) paragraph (b) and the phrase “or (b)” in paragraph (c). EPA lacks authority in an action on a SIP revision under CAA section 110 to approve provisions addressing hazardous air pollutants. Thus we are proposing to disapprove these specific provisions. If the State requests to withdraw these specific provisions prior to the time we take final action, we would not be obligated to take final action because these provisions would no longer be pending before the Agency as a SIP revision.

We are proposing to disapprove R307-401-12 (Reduction in Air Contaminants). As explained in this rulemaking, R307-401-12 does not meet the requirements of CAA 110(a)(2)(C) and 40 CFR 51.160(a). 40 CFR 51.160(a) requires that a state or local agency must be able to determine whether a construction or modification project would result in a violation of the control strategy or interfere with attainment or maintenance of the NAAQS. As outlined above, the rules within R307-401-12 require clarification. It is not clear to the source or to the public what projects under R307-401-12 would trigger approval order requirements in R307-401-5 through R307-401-8.

We are proposing to disapprove R307-410-5 (Documentation of Ambient Air Impacts for Hazardous Air Pollutants). EPA lacks authority in an action on a SIP revision under CAA section 110 to approve provisions addressing hazardous air pollutants. Thus we are proposing to disapprove these specific provisions. If the State requests to withdraw these specific provisions prior to the time we take final action, we would not be obligated to take final action because

these provisions would no longer be pending before the Agency as a SIP revision.

We are proposing to partially approve and partially disapprove R307-410-6 (Stack Heights and Dispersion Techniques). While the rule is generally consistent with the requirements in 40 CFR 51.164 (Stack Height Procedures), similar to the disapproval discussed elsewhere in this notice regarding the 10-day public comment period, R307-410-6 is missing the required public notice elements found in 40 CFR 51.164. Specifically, R307-410-6 is missing the requirement that “[s]uch procedures must provide that before a State issues a permit to a source based on a good engineering practice stack height that exceeds the height allowed by § 51.100(ii) (1) or (2), the State must notify the public of the availability of the demonstration study and must provide opportunity for public hearing on it”. Therefore, we are proposing to partially approve and partially disapprove this particular rule since the State rule omits the requirements for the State to notify the public of the availability of documentation of a study where a source exceeds the height allowed and provide an opportunity for public hearing.

## **VII. Statutory and Executive Order Reviews**

Under the Clean Air Act, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the Clean Air Act. Accordingly, this proposed action merely approves state law as meeting federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- is not a "significant regulatory action" subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);

- does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act; and
- does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this rule does not have tribal implications as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), because the SIP is not approved to apply in Indian country located in the state, and EPA notes that it will not impose substantial direct costs on tribal

governments or preempt tribal law.

**List of Subjects in 40 CFR Part 52**

Environmental protection, Air pollution control, Carbon monoxide, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds, Incorporation by reference.

**Authority:** 42 U.S.C. 7401 *et seq*

Dated: May 30, 2013

Shaun L. McGrath  
Regional Administrator  
Region 8